

THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

STAFF REPORT

of the

ACCOUNTING DEPARTMENT

and

UTILITIES DEPARTMENT



DOCKET NO. 98-001-E

CAROLINA POWER & LIGHT COMPANY

REPORT OF ACCOUNTING DEPARTMENT

THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

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REPORT OF ACCOUNTING DEPARTMENT
THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA
DOCKET NO. 98-001-E

ANALYSIS

The Accounting Department Staff has made an examination of the books and records of Carolina Power and Light Company (hereinafter referred to as "the Company") relative to the Commission's requirement under Docket No. 98-001-E, that periodic hearings be conducted before the Commission concerning the Adjustment of Base Rates for Fuel Costs.

The current investigation of the Company's Retail Fuel Adjustment Clause covered the period January 1997 through March 1998. Since the current hearing is scheduled for March 1998, Staff's audit consisted of actual fuel costs for the period January 1997 through December 1997 and projected fuel costs for January, February and March 1998. Staff's computations of the Deferred Fuel Entries (Exhibit G) for the months of January, February and March 1998 were estimated for the purpose of adjusting base rates effective April 1, 1998. The January, February and March 1998 estimates will be trued-up in the Company's next hearing.

The Accounting Department Staff's examination consisted of the following:

1. Analysis of the Fuel Stock Account, Account # 151

2. Sample of Receipts to the Fuel Stock Account (Acct.# 151)
3. Verification of Charges to Nuclear Fuel Expense, Account # 518
4. Analysis of Purchased Power and Interchange (Net)
5. Verification of KWH Sales
6. Comparison of Coal Costs
7. Recomputation of Fuel Costs Adjustment Factor and Verification of Unbilled Revenue
8. Recomputation of True-Up for Over/Under-Recovered Fuel Costs
9. Analysis of Spot Coal Purchasing Procedures

ANALYSIS OF FUEL STOCK ACCOUNT, ACCOUNT # 151

Staff's analysis of the Fuel Stock Account consisted of tracing receipts to and issues from the fuel management system to the General Ledger, reviewing monthly journal entries originating in fuel accounting, and ensuring that only proper charges are entered in the Company's computation of fuel costs for purposes of adjusting base rates for fuel costs.

SAMPLE OF RECEIPTS TO THE FUEL STOCK ACCOUNT, ACCOUNT #151

Staff's sample of receipts to the Fuel Stock Account consisted of randomly selecting transactions, tracing each of these transactions to a waybill and a purchase order for documentation purposes, and recalculating the transactions to insure mathematical correctness.

VERIFICATION OF NUCLEAR FUEL EXPENSE, ACCOUNT # 518

Staff verified expense amounts to the Company's General Ledger. The expenses were also verified to the monthly fuel reports filed by the Company with this Commission.

ANALYSIS OF PURCHASED POWER AND INTERCHANGE (NET)

Staff performed an examination of the Company's purchased power and interchange (net) amount used in the Fuel Adjustment Clause (FAC) for the period January 1997 through December 1997.

Staff obtained the detail of the purchases and sales made by Carolina Power and Light Company to and from other electric utilities. Staff verified the amounts which are being used in computing total fuel costs for each month. This detail allowed the Staff to identify all fuel costs which are being passed through the clause in computing the factor above or below base for each period. See Staff's Exhibit F for details.

Furthermore, in accordance with PSC Order No. 90-961, Docket No. 90-4-E, dated October 18, 1990, Staff was specifically directed to examine the Company's nonfirm, off-system sales to preclude any possible problems in this area and to include language in its audit procedures to address these matters. Accordingly, Staff traced the sales and purchases transactions for January 1997 through December 1997 to the Company's sales and purchases monthly invoices. Staff recomputed all of the sales and purchases.

In accordance with Public Service Commission Order No. 90-961,

Docket No. 90-4-E, dated October 18, 1990, Staff will continue to review the Company's nonfirm, off-system transactions during future audits.

VERIFICATION OF KWH SALES

The Accounting Department Staff reconciled the KWH sales as reported to the Commission through monthly fuel adjustment filings.

COMPARISON OF COAL COSTS

Staff prepared exhibits from Carolina Power and Light Company's books and records reflecting coal costs during the review period. Specifically, these exhibits are as follows:

Exhibit A - COAL COST STATISTICS

Exhibit B - RECEIVED COAL - COST PER TON (PER PLANT)

Exhibit C - RECEIVED COAL- COST PER TON COMPARISON

With reference to Exhibit A, Coal Cost Statistics, Staff has shown a detailed analysis of spot and contract coal for the twelve (12) months ended December 1997. Also, in Exhibit A, the Weighted Average of Coal Received is reflected for the twelve-month period. Total costs for the twelve-month period were divided by the total tons for the twelve-month period in arriving at the average.

In Exhibit B, Received Coal-Cost Per Ton (Per Plant), Staff reflects the overall cost per ton of coal by month per plant.

In Exhibit C, Received Coal- Cost Per Ton Comparison, Staff reflects the overall cost per ton of coal by month for the three major electric utilities regulated by this Commission.

RECOMPUTATION OF FUEL COSTS ADJUSTMENT FACTOR AND VERIFICATION OF UNBILLED REVENUES

Staff recomputed the Fuel Costs Adjustment Factor for the months of January 1997 through December 1997.

RECOMPUTATION OF TRUE-UP FOR OVER/ UNDER-RECOVERED FUEL COSTS

Staff analyzed the cumulative under-recovery of fuel costs the Company had incurred for the period January 1997 through December 1997 totaling \$6,212,396. Staff added the projected over-recovery of \$96,840 for the month of January 1998, the projected over-recovery of \$213,819 for the month of February 1998, and the projected over-recovery of \$269,832 for the month of March 1998 to arrive at an cumulative under-recovery of \$5,631,905 as of March 1998. The Company's cumulative under-recovery, per its testimony in Docket No. 98-001-E, as of December 1997 totals \$6,294,274 and as of March 1998 the cumulative under-recovery totals \$5,713,783. The difference between the Company's and the Staff's cumulative under-recovery as of actual December 1997 and as of estimated March 1998 is \$81,878. The cumulative difference as of December 1997 of \$81,878 is based on Staff's calculation adjustments to the Company's Purchased Power Costs for January 1997 through December 1997 (per Staff's report), after Staff reviewed the Company's Purchased Power invoices and reports.

As stated in Carolina Power and Light Company's S.C. Retail Adjustment for Fuel Costs Rider, fuel costs will be included in

base rates to the extent determined reasonable and proper by the Commission. Accordingly, the Commission should consider the under-recovery of \$5,631,905 along with the anticipated fuel costs for the period April 1, 1998 through March 31, 1999 for the purpose of determining the base cost of fuel in base rates effective April 1, 1998. The \$5,631,905 under-recovery figure was provided to the Commission's Utilities Department.

ANALYSIS OF SPOT COAL PURCHASING PROCEDURES

The Accounting Staff examined the procedure followed by the Company's Fossil Fuel Department for obtaining and accepting bids on spot coal. The Fossil Fuel Department maintains a list of coal vendors (suppliers) from whom bids are solicited monthly. Each month Carolina Power and Light Company's spot coal purchasing personnel mails each one of these coal vendors a Coal Quotation Form and letter requesting bids for the next month. In order for a coal vendor's name to be on this mailing list, the coal vendor must have completed the Supplier Capability Report and must possess the necessary financial, technical, and business resources to supply coal consistent with Carolina Power and Light Company's requirements.

The Coal Quotation Forms provide such information as the name of the coal company (the supplier), the name of the producer, the name of the mine, the number of tons offered, coal specifications, price per ton, the month the shipment will be made, mining methods of the producer and shipping transportation data. It should be

within when bargaining for coal. The coal procurement personnel bargain over the price of the coal as well as other possible terms and conditions of a prospective purchase, and either accept (the offer given or a counter-offer) or reject the coal vendor's offer.

Upon agreement on a spot coal purchase, the Fossil Fuel Department prepares a purchase order, which documents the terms and conditions of the purchase. The coal vendor is mailed a copy of the purchase order. When the coal is received at the plant, the Company samples and analyzes each spot coal shipment for BTU, ash, moisture and sulfur content, and periodically analyzes coal for volatiles, grindability, and ash softening temperature. The coal analysis results are entered into the computerized Fuel Management System, which is used by the Fossil Fuel Department to monitor coal receipts and to process coal payments. The appropriate premium or penalty on the coal purchased is determined by the Fossil Fuel Department through the Fuel Management System which adds a premium or assesses a penalty to the total amount due to the coal vendor, and the results are forwarded to the Company's Accounting Department. The Fossil Fuel Department closely monitors the quality of coal shipped by various producers. If poor performance is rendered by a certain producer, the coal procurement personnel consider this when analyzing any future offers received from the supplier.

The Company's spot coal requirements are obtained through short-term commitments with terms that may range from one month to twelve months duration.

During the period January 1997 through December 1997, the Company, after a review of its inventory needs, determined that approximately 3,188,400 tons of spot coal would be required. The actual amount of spot coal received for this period is reflected in Staff's Exhibit A.

The Accounting Department Staff's exhibits relative to this proceeding are identified as follows:

Exhibit A: COAL COST STATISTICS (AND WEIGHTED AVERAGE OF COAL RECEIVED)

In Exhibit A, Coal Cost Statistics, Staff compares spot and contract coal received for the period January 1997 through December 1997. The comparison is made in five (5) areas as follows:

- (1) Tons Received
- (2) Percentage of Total Tons Received
- (3) Received Cost Per Ton
- (4) Total Received Cost
- (5) Cost Per MBTU

This exhibit also reflects the total spot and contract tons received during the period January 1997 through December 1997. Staff has taken the total received cost for the twelve (12) months and divided this by the total tons for the twelve (12) months in arriving at a Weighted Average Cost per ton for the twelve (12)-month period.

Exhibit B: RECEIVED COAL-COST PER TON (PER PLANT)

This exhibit reflects the received cost per ton by month for each of Carolina Power and Light Company's plants.

Exhibit C: RECEIVED COAL-COST PER TON COMPARISON

In Exhibit C, Received Coal-Cost Per Ton, Staff has made a comparison of received coal-cost per ton for Carolina Power & Light Company, Duke Power Company and South Carolina Electric & Gas Company. The costs per ton reflected for the coal purchases were extracted from fuel costs data from all three major electric utilities.

Exhibit D: COAL FUEL STOCKS-NUMBER OF DAYS OF SUPPLY (ALL PLANTS)

This exhibit reflects Carolina Power and Light Company's coal inventory in terms of tons received, consumed, and on hand at the end of the month. The number of days of supply is also shown.

Exhibit E: TOTAL BURNED COST (FOSSIL AND NUCLEAR)

This exhibit shows fuel costs burned by type during the period January 1997 through December 1997.

Exhibit F: COST OF FUEL

In Exhibit F, Staff has computed the total fuel cost applicable to the factor computation. There are three (3) components used in arriving at this cost. These components are as follows:

- (1) Cost of Fuel Burned
- (2) Purchase and Interchange Power Cost
- (3) Authorized Adjustments

Cost of Fuel Burned - This amount is the burned cost of all fossil and nuclear fuel during the period. A detail breakdown of coal, oil, gas and nuclear fuel can be seen in Exhibit E.

Purchase and Interchange Power Fuel Cost - This amount is the monthly kilowatt hours delivered to or received by one electric utility from another electric utility.

Authorized Adjustments - These are amounts decreasing the total fuel cost as authorized by regulatory agencies.

Total fuel cost applicable to the factor is computed by adding cost of fuel burned to purchase and interchange power and authorized adjustments.

Exhibit G: S.C. FUEL COSTS COMPUTATION

Shown in this exhibit are the actual costs for January 1997 through December 1997 and the estimated fuel costs for January, February and March 1998.

Based on the Accounting Staff's examination of Carolina Power & Light Company's books and records, a comparison of fuel costs among utilities and the utilization of the fuel costs recovery mechanism as directed by the Commission, the Accounting Staff is of the opinion that the Company has complied with the directives of the Commission.

CAROLINA POWER & LIGHT COMPANY
COAL COST STATISTICS
JANUARY 1997 - DECEMBER 1997

SPOT

MONTH	TONS RECEIVED	% SPOT	COST/TON RECEIVED	TOTAL RECEIVED COST	SPOT COST/MBTU
	TONS	%	\$	\$	\$
JANUARY 1997	286,271.81	39.28	36.55	10,461,698.46	1.5008
FEBRUARY 1997	297,116.40	36.95	35.55	10,562,739.92	1.4777
MARCH 1997	273,510.26	29.54	33.90	9,273,068.28	1.4953
APRIL 1997	139,027.72	19.27	31.80	4,420,658.53	1.3661
MAY 1997	183,734.44	25.16	32.37	5,947,983.96	1.3728
JUNE 1997	132,477.87	18.64	32.88	4,356,282.23	1.3580

CONTRACT

MONTH	TONS RECEIVED	% CONTRACT	COST/TON RECEIVED	TOTAL RECEIVED COST	CONTRACT COST/MBTU
	TONS	%	\$	\$	\$
JANUARY 1997	442,484.09	60.72	45.00	19,910,219.92	1.8386
FEBRUARY 1997	506,899.16	63.05	46.41	23,525,848.21	1.8889
MARCH 1997	652,446.87	70.46	40.53	26,440,762.95	1.6427
APRIL 1997	582,348.75	80.73	49.55	28,854,481.03	1.9989
MAY 1997	546,541.73	74.84	45.00	24,591,427.06	1.8228
JUNE 1997	578,342.53	81.36	44.22	25,575,474.67	1.7986

COMBINED

MONTH	TONS RECEIVED	% COMB.	COST/TON RECEIVED	TOTAL RECEIVED COST	COST/MBTU
	TONS	%	\$	\$	\$
JANUARY 1997	728,755.90	100.00	41.68	30,371,918.38	1.7063
FEBRUARY 1997	804,015.56	100.00	42.40	34,088,588.13	1.7390
MARCH 1997	925,957.13	100.00	38.57	35,713,831.23	1.6017
APRIL 1997	721,376.47	100.00	46.13	33,275,139.56	1.8830
MAY 1997	730,276.17	100.00	41.82	30,539,411.02	1.7135
JUNE 1997	710,820.40	100.00	42.11	29,931,756.90	1.7175

CAROLINA POWER & LIGHT COMPANY
COAL COST STATISTICS
JANUARY 1997 - DECEMBER 1997

SPOT

MONTH	TONS RECEIVED	% SPOT	COST/TON RECEIVED	TOTAL RECEIVED COST	SPOT COST/MBTU
	TONS	%	\$	\$	\$
JULY 1997	171,975.31	27.69	36.38	6,255,597.32	1.4892
AUGUST 1997	198,075.90	20.63	32.95	6,527,244.96	1.3064
SEPTEMBER 1997	257,326.92	23.92	32.47	8,355,124.15	1.3485
OCTOBER 1997	381,540.54	42.38	33.76	12,880,295.09	1.3621
NOVEMBER 1997	323,016.00	36.95	34.33	11,089,250.49	1.3936
DECEMBER 1997	376,281.36	38.81	35.03	13,180,003.04	1.4092

CONTRACT

MONTH	TONS RECEIVED	% CONTRACT	COST/TON RECEIVED	TOTAL RECEIVED COST	CONTRACT COST/MBTU
	TONS	%	\$	\$	\$
JULY 1997	449,065.97	72.31	44.56	20,009,984.59	1.8129
AUGUST 1997	761,970.23	79.37	42.38	32,295,349.66	1.7210
SEPTEMBER 1997	818,533.58	76.08	44.62	36,525,627.85	1.8296
OCTOBER 1997	518,758.16	57.62	43.83	22,739,257.00	1.7803
NOVEMBER 1997	551,205.31	63.05	43.50	23,978,034.77	1.7669
DECEMBER 1997	593,212.41	61.19	44.30	26,281,238.48	1.7949

COMBINED

MONTH	TONS RECEIVED	% COMB.	COST/TON RECEIVED	TOTAL RECEIVED COST	COST/MBTU
	TONS	%	\$	\$	\$
JULY 1997	621,041.28	100.00	42.29	26,265,581.91	1.7237
AUGUST 1997	960,046.13	100.00	40.44	38,822,594.62	1.6338
SEPTEMBER 1997	1,075,860.50	100.00	41.72	44,880,752.00	1.7157
OCTOBER 1997	900,298.70	100.00	39.56	35,619,552.09	1.6024
NOVEMBER 1997	874,221.31	100.00	40.11	35,067,285.26	1.6290
DECEMBER 1997	969,493.77	100.00	40.70	39,461,241.52	1.6445

TOTAL RECEIVED COST	=	\$414,037,652.62	=	\$41.31
TOTAL TONS RECEIVED		10,022,163.32		=====

CAROLINA POWER & LIGHT COMPANY
RECEIVED COAL - COST PER TON (PER PLANT)
JANUARY 1997 - DECEMBER 1997

PLANT	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE
	\$	\$	\$	\$	\$	\$
CAPE FEAR	44.69	48.53	40.77	48.44	55.10	47.85
WEATHERSPOON	38.30	43.75	38.51	35.89	35.89	-0-
LEE	49.22	58.86	42.76	61.46	57.84	54.31
SUTTON	37.98	42.99	38.42	44.62	47.62	50.80
ROBINSON	36.53	34.49	-0-	-0-	33.11	33.11
ASHEVILLE	38.34	40.94	35.21	33.49	35.44	33.80
ROXBORO 1-3	40.76	37.64	37.42	45.97	39.78	39.72
ROXBORO 4	40.93	37.94	38.39	45.20	43.99	47.29
MAYO	44.65	45.76	40.00	52.09	43.13	45.28
TOTAL	41.68	42.40	38.57	46.13	41.82	42.11

CAROLINA POWER & LIGHT COMPANY
RECEIVED COAL - COST PER TON (PER PLANT)
JANUARY 1997 - DECEMBER 1997

PLANT	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
	\$	\$	\$	\$	\$	\$
CAPE FEAR	53.33	54.12	54.28	51.46	44.19	38.25
WEATHERSPOON	42.75	44.23	49.36	45.88	42.65	16.63
LEE	55.51	51.35	53.05	48.16	39.37	42.92
SUTTON	49.47	46.34	42.91	1,906.78(1)	49.61	40.40
ROBINSON	33.54	33.36	33.91	33.09	33.86	37.17
ASHEVILLE	34.79	32.64	33.47	33.46	34.13	42.13
ROXBORO 1-3	36.65	32.97	39.92	36.80	38.43	40.60
ROXBORO 4	71.58	37.62	40.48	37.22	39.66	41.37
MAYO	44.09	43.58	43.62	41.92	43.79	45.18
TOTAL	42.29	40.44	41.72	39.56	40.11	40.70

(1) Includes a large freight adjustment.

CAROLINA POWER & LIGHT COMPANY
RECEIVED COAL - COST PER TON COMPARISON
JANUARY 1997 - DECEMBER 1997

CAROLINA POWER & LIGHT COMPANY

MONTH	INVOICE COST PER TON	FREIGHT COST PER TON	TOTAL COST PER TON	COST PER MBTU
	\$	\$	\$	\$
JANUARY 1997	30.21	11.47	41.68	1.7063
FEBRUARY 1997	31.51	10.89	42.40	1.7390
MARCH 1997	26.52	12.05	38.57	1.6017
APRIL 1997	35.95	10.18	46.13	1.8830
MAY 1997	31.87	9.95	41.82	1.7135
JUNE 1997	32.28	9.83	42.11	1.7175

DUKE POWER COMPANY

	INVOICE COST PER TON	FREIGHT COST PER TON	TOTAL COST PER TON	COST PER MBTU
	\$	\$	\$	\$
JANUARY 1997	26.55	8.53	35.08	1.4071
FEBRUARY 1997	27.24	6.92	34.16	1.3672
MARCH 1997	27.02	7.71	34.73	1.3966
APRIL 1997	26.24	7.46	33.70	1.3529
MAY 1997	26.62	7.59	34.21	1.3742
JUNE 1997	26.14	7.86	34.00	1.3742

SOUTH CAROLINA ELECTRIC & GAS COMPANY

	INVOICE COST PER TON	FREIGHT COST PER TON	TOTAL COST PER TON	COST PER MBTU
	\$	\$	\$	\$
JANUARY 1997	(1)	(1)	(1)	(1)
FEBRUARY 1997	(1)	(1)	(1)	(1)
MARCH 1997	(1)	(1)	(1)	(1)
APRIL 1997	(1)	(1)	(1)	(1)
MAY 1997	(1)	(1)	(1)	(1)
JUNE 1997	(1)	(1)	(1)	(1)

(1) As of this fuel hearing report, SCE&G's coal costs information was not available. Staff hopes to have SCE&G's coal costs information by the fuel hearing date.

CAROLINA POWER & LIGHT COMPANY
RECEIVED COAL - COST PER TON COMPARISON
JANUARY 1997 - DECEMBER 1997

CAROLINA POWER & LIGHT COMPANY

MONTH	INVOICE COST PER TON	FREIGHT COST PER TON	TOTAL COST PER TON	COST PER MBTU
	\$	\$	\$	\$
JULY 1997	31.81	10.48	42.29	1.7237
AUGUST 1997	30.26	10.18	40.44	1.6338
SEPTEMBER 1997	31.81	9.91	41.72	1.7157
OCTOBER 1997	29.49	10.07	39.56	1.6024
NOVEMBER 1997	30.08	10.03	40.11	1.6290
DECEMBER 1997	30.10	10.60	40.70	1.6445

DUKE POWER COMPANY

	INVOICE COST PER TON	FREIGHT COST PER TON	TOTAL COST PER TON	COST PER MBTU
	\$	\$	\$	\$
JULY 1997	26.37	8.40	34.77	1.3944
AUGUST 1997	26.38	8.33	34.71	1.3923
SEPTEMBER 1997	26.70	8.30	35.00	1.4036
OCTOBER 1997	25.79	7.76	33.55	1.3534
NOVEMBER 1997	25.65	8.78	34.43	1.3898
DECEMBER 1997	25.04	8.67	33.71	1.3654

SOUTH CAROLINA ELECTRIC & GAS COMPANY

	INVOICE COST PER TON	FREIGHT COST PER TON	TOTAL COST PER TON	COST PER MBTU
	\$	\$	\$	\$
JULY 1997	(1)	(1)	(1)	(1)
AUGUST 1997	(1)	(1)	(1)	(1)
SEPTEMBER 1997	(1)	(1)	(1)	(1)
OCTOBER 1997	(1)	(1)	(1)	(1)
NOVEMBER 1997	(1)	(1)	(1)	(1)
DECEMBER 1997	(1)	(1)	(1)	(1)

(Explanation for Note (1) is on Page 1 of 2.)

ACCOUNTING EXHIBIT D

CAROLINA POWER & LIGHT COMPANY
 COAL FUEL STOCKS - NUMBER OF DAYS OF SUPPLY (ALL PLANTS)
 JANUARY 1997 - DECEMBER 1997

MONTH	TONS BEGINNING OF MONTH	TONS RECEIVED DURING MONTH	TONS CONSUMED DURING MONTH	BALANCE END OF MONTH	NUMBER OF DAYS OF SUPPLY
	TONS	TONS	TONS	TONS	DAYS
JANUARY 1997	1,306,661	728,756	875,575	1,159,842	29
FEBRUARY 1997	1,159,842	804,015	747,291	1,216,566	30
MARCH 1997	1,216,566	925,957	588,001	1,554,522	38
APRIL 1997	1,554,522	721,377	735,042	1,540,857	38
MAY 1997	1,540,857	730,276	783,532	1,487,601	37
JUNE 1997	1,487,601	710,820	863,411	1,335,010	33
JULY 1997	1,323,916(1)	621,041	1,059,327	885,630	22
AUGUST 1997	885,630	960,046	1,025,201	820,475	20
SEPTEMBER 1997	820,475	1,075,861	931,137	965,199	24
OCTOBER 1997	965,199	900,299	909,179	956,319	23
NOVEMBER 1997	956,319	874,221	876,278	954,262	23
DECEMBER 1997	954,262	969,494	959,816	963,940	24

(1) Adjustment made to Beginning Balance of Coal Tons for July 1997 because of a revision in the net weight of coal.

ACCOUNTING EXHIBIT E

CAROLINA POWER & LIGHT COMPANY
TOTAL BURNED COST (FOSSIL AND NUCLEAR)
JANUARY 1997 - DECEMBER 1997

MONTH	COAL	OIL	GAS	NUCLEAR	TOTAL BURNED COSTS
	\$	\$	\$	\$	\$
JANUARY 1997	36,325,582	980,536	5,677	9,382,723	46,694,518
FEBRUARY 1997	31,471,359	548,113	1,183	8,508,243	40,528,898
MARCH 1997	25,122,610	420,538	19,818	9,461,581	35,024,547
APRIL 1997	29,361,245	293,876	131,902	7,124,237	36,911,260
MAY 1997	33,075,887	510,372	165,727	7,316,435	41,068,421
JUNE 1997	36,714,713	1,412,336	1,093,424	8,610,136	47,830,609
JULY 1997	45,594,093	2,023,861	1,480,206	9,120,185	58,218,345
AUGUST 1997	42,927,058	1,358,647	817,377	9,569,086	54,672,168
SEPTEMBER 1997	37,364,768	1,148,552	549,854	8,023,574	47,086,748
OCTOBER 1997	37,965,871	1,466,550	988,728	7,995,126	48,416,275
NOVEMBER 1997	35,546,961	911,068	373,929	8,731,505	45,563,463
DECEMBER 1997	38,599,972	686,664	113,484	10,074,587	49,474,707
TOTALS	430,070,119	11,761,113	5,741,309	103,917,418	551,489,959

ACCOUNTING EXHIBIT F

CAROLINA POWER & LIGHT COMPANY
COST OF FUEL
JANUARY 1997 - DECEMBER 1997

MONTH	COST OF FUEL BURNED	PURCHASE AND INTERCHANGE POWER FUEL COSTS	FUEL COST RECOVERED INTERSYSTEM SALES	TOTAL NET FUEL COSTS
	\$	\$	\$	\$
JANUARY 1997	46,694,518	11,639,961	(9,860,569)	48,473,910
FEBRUARY 1997	40,528,898	7,514,160	(8,199,266)	39,843,792
MARCH 1997	35,024,547	6,055,988	(7,470,452)	33,610,083
APRIL 1997	36,911,260	8,766,615	(6,327,277)	39,350,598
MAY 1997	41,068,421	8,928,596	(6,229,796)	43,767,221
JUNE 1997	47,830,609	14,473,479	(11,811,416)	50,492,672
JULY 1997	58,218,345	24,342,073	(15,177,022)	67,383,396
AUGUST 1997	54,672,168	15,117,752	(11,737,610)	58,052,310
SEPTEMBER 1997	47,086,748	14,786,322	(12,431,570)	49,441,500
OCTOBER 1997	48,416,275	12,934,936	(15,401,576)	45,949,635
NOVEMBER 1997	45,563,463	10,871,591	(12,132,847)	44,302,207
DECEMBER 1997	49,474,707	10,141,534	(11,672,970)	47,943,271
TOTALS	551,489,959	145,573,007	(128,452,371)	568,610,595

CAROLINA POWER & LIGHT COMPANY
S.C. FUEL COSTS COMPUTATION
JANUARY 1997 - MARCH 1998

Description	A C T U A L				
	January 1997	February 1997	March 1997	April 1997	May 1997
Fossil Fuel	37,311,795	32,020,555	25,562,966	29,787,023	33,751,986
Nuclear Fuel	9,382,723	8,508,243	9,461,581	7,124,237	7,316,435
Purchased Power(2)	11,639,961	7,514,160	6,055,988	8,766,615	8,928,596
Subtotal	58,334,479	48,043,058	41,080,535	45,677,875	49,997,017
Less: Intersystem Sales	9,860,569	8,199,266	7,470,452	6,327,277	6,229,796
Net Fuel Costs	48,473,910	39,843,792	33,610,083	39,350,598	43,767,221
Total System KWH Sales	3,926,486,475	3,858,166,274	3,212,692,654	3,284,267,605	3,226,078,172
\$/KWH	.01235	.01033	.01046	.01198	.01357
Less: Base	.01340	.01340	.01340	.01122	.01122
Fuel Adjustment / KWH	(.00105)	(.00307)	(.00294)	.00076	.00295
S.C. KWH Sales	565,939,892	574,002,424	481,830,597	499,331,240	501,310,883
Deferred Fuel Entry December 1996	(594,237) (186,139)(1)	(1,767,846)(3)	(1,416,582)	379,492	1,178,081
Cumulative (Over)/Under Recovery	(780,376)	(2,548,222)	(3,964,804)	(3,585,312)	(2,407,231)
					(817,202)

Note:

(1) Staff's cumulative over-recovery balance brought forward from December 1996 of \$186,139 differs from the Company's beginning cumulative over-recovery balance from December 1996. This cumulative difference is based on Staff's corrections from the last fuel review period. It should be noted that the Company, in its testimony, reflects an adjustment of \$604,095 in April 1997.

(2) Staff's 1997 Purchased Power figures and the resultant (over)/under-recovery monthly amounts for January 1997, March 1997, June 1997 through August 1997 and October 1997 differs from the Company's figures. Staff's figures reflect calculation adjustments made to Purchased Power Costs for January 1997 through December 1997, per Staff's report. As a result, on a S.C. jurisdictional basis, the difference between the Company's and the Staff's cumulative under-recovery balances as of actual December 1997 and as of estimated March 1998 is \$81,878.

(3) The over-recovery for February 1997 consists of February's over-recovery amount of \$1,762,187 and a Company adjustment of \$5,659, which trued-up the System KWH Sales for January 1997.

CAROLINA POWER & LIGHT COMPANY
S.C. FUEL COSTS COMPUTATION
JANUARY 1997 - MARCH 1998

Description	A C T U A L					E S T I M A T E D		
	July 1997	August 1997	September 1997	October 1997	November 1997	December 1997	January 1998	February 1998 March 1998
Fossil Fuel	49,098,160	45,103,082	39,063,174	40,421,149	36,831,958	39,400,120		
Nuclear Fuel	9,120,185	9,569,086	8,023,574	7,995,126	8,731,505	10,074,587		
Purchased Power (2)	24,342,073	15,117,752	14,786,322	12,934,936	10,871,591	10,141,534		
Subtotal	82,560,418	69,789,920	61,873,070	61,351,211	56,435,054	59,616,241		
Less: Intersystem Sales	15,177,022	11,737,610	12,431,570	15,401,576	12,132,847	11,572,970		
Net Fuel Costs	67,383,396	58,052,310	49,441,500	45,949,635	44,302,207	47,943,271	44,280,636	43,195,800
Total System KWH Sales	4,318,898,500	4,426,657,757	4,115,902,352	3,511,274,701	3,297,408,523	4,019,210,459	4,007,596,262	3,978,535,000
\$/KWH	.01560	.01311	.01201	.01309	.01344	.01193	.01105	.01086
Less: Base	.01122	.01122	.01122	.01122	.01122	.01122	.01122	.01122
Fuel Adjustment / KWH	.00438	.00189	.00079	.00187	.00222	.00071	(.00017)	(.00047)
S.C. KWH Sales	630,780,301	645,885,902	618,000,351	545,823,694	502,119,709	594,985,899	569,648,508	593,940,000
Deferred Fuel Entry	2,762,818	1,220,724	488,220	1,020,690	1,114,706	422,440	(96,840)	(213,819)
June 1997 (P-1 of 2)	(817,202)							(269,832)
Cumulative (Over)/Under Recovery	1,945,616	3,166,340	3,654,560	4,675,250	5,789,956	6,212,396	6,115,556	5,901,737
								5,631,905

(Explanation for Note (2) is on Page 1 of 2.)